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**THE DEARBORN INDEPENDENT**

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## Financing the Railroads

**I**N FINANCIAL circles, President Harding's plan for financing the railroads is hailed with a chorus of congratulation. We are told that the turning of half a billion dollars or more into the channels of trade for the rehabilitation of the roads and their better maintenance will be "good for business."

But will it escape notice that the marketing and maneuvering of \$500,000,000 of bonds will be especially "good" for the business of bond brokers and Wall Street speculators?

The scheme, in a nutshell, is that the government shall accept the bonds of the railroads for the \$500,000,000 they owe the government and that, through the War Finance Board, the government shall guarantee payment of the bonds, sell them and let the railroad companies take the money realized. The government simply sells the railroad debt to increase the railroad debt—neither railroad nor government being any better off so far as obligations are concerned.

The big question to be considered goes far beyond any immediate and artificial stimulus to "business" which this bit of high financing may bring about. The bonds will form a subordinate lien on properties already carrying all they can bear of bonded indebtedness. The railroad companies would not have been able to float the bonds successfully without the government's indorsement. The government will still be looking for its half-billion. And it will have set the bad precedent of lending its credit to enable a private enterprise to do what it should be able to do for itself with proper management.

Altogether, the scheme is very like the once apocryphal one of living on the interest of one's debts.

## The Price of Peace

What will you have? quoth God; pay for it and take it . . . . You cannot do wrong without suffering wrong . . . . The law of nature is: Do the thing, and you shall have the power; but they who do not the thing have not the power. Human labor, through all its forms, from the sharpening of a stake to the construction of a city or an epic, is one immense illustration of the perfect compensation of the universe. Everywhere and always this law is sublime . . . . It is impossible to get anything without its price.

**T**HIS passage from Emerson's essay on Compensation has particular application just now to the world's desire for world peace. The desire is not enough. It will not suffice to desire peace and to hate war. The man who talks about "peace at any price" is as foolish as the man who insists on war at any price. If we are really going to obtain a genuine peace between nations, we must pay the price of peace. It cannot be had at "any" price. It has its own just and absolute price. To think of obtaining it by conferences and treaties, alliances or ententes merely is to fool ourselves. Before peace can be written into any "charter of humanity" or agreement between the nations, it must be written in the heart of man.

If the war has one plain lesson for us, surely it is that "preparation for war" is the surest way to have war. Just as surely, preparation for peace is the one way to have peace. What does preparation for peace mean? What but that we shall show ourselves toward every other nation as seeking not our own selfish advantage in this or that regard, but the good of the world—the good of all nations. In our heart of hearts, we know that we cannot really profit by another's loss or injury. No nation liveth to itself alone.

The cessation of competitive naval armament building, which now seems to be in sight, is a big step in

the right direction. The step will be all the more surely taken, if we enter upon it with the right motive; if we see in it not an ultimate end but a means to the much bigger and more positive achievement of a world peace guaranteed by the surrender of every attitude incompatible with friendship between the nations.

We shall make definite choice between the two opposing systems of ethics that divide men today: between the law of an eye for an eye and a tooth for a tooth on the one hand, and the Christian ethic of rendering good for evil on the other. This reliance is really the choice between the jungle law of brute force and law of faith in the superior and conquering power of the right.

With this change of spirit, the machinery of international agreement will spring forth naturally; without this spirit all the peace machinery in the world is as tinkling brass and sounding cymbal.

## Why Indeed?

**EDITOR DEARBORN INDEPENDENT**—I see that in the government's wild hunt for more money to spend on armaments and waste on departmental supernumeraries, there is some talk of knocking off the \$2,000 income exemption now allowed us poor tax-burdened martyrs. In the interests of equity and fair play, I would suggest that a better plan would be to remove the exemption now enjoyed by government employes and officials, Federal, state and local. Why should not the job-holders bear their fair share of the war burden by paying the same taxes on incomes as are paid by other good American citizens?

—A Pittsburgh Workman.

**T**HE point made by our correspondent is well taken. In exempting salaries of government officials and employes, Congress probably went on the principle that to tax such incomes would be like the government taxing itself. The principle is one with that followed in exempting from taxation Federal, state, county and municipal bonds.

In actual practice, the exemption works out in an unfair discrimination between incomes derived from the public service and those derived from private corporations or individual employers. In neither case is it to be assumed that the difference is made up in rates of pay. As tending to create the un-American delusion of a class vested with special privileges and immunities in this republic, the discrimination is, to say the least, a mischievous one.

## An Army of Construction

**W**RITING in appreciation of a recent editorial on this page, in regard to organization for flood prevention and for the relief of victims of calamities and catastrophes of various sorts on the lines of such a "substitute for militarism" as was suggested by the late William James, a California reader calls our attention to the plan embodied in a book by George H. Maxwell, of Los Angeles, called "Our National Defense: the Patriotism of Peace."

While not going so far as to propose the abolition of the Army in anticipation of the abolition of war, Mr. Maxwell suggests certain radical changes in the entire method and spirit of our present military organization. He would make it primarily an army of construction rather than an army of destruction; he would recruit the fighting force mostly among married men who would live natural lives with their families in homes, in contrast with the present "stag" barracks and its unnatural life.

The soldiers of the new army would be placed on farms or garden tracts located on government land in various parts of the country, where they would be taught by agricultural experts how to put the land to the best use, while at the same time they would be learning military drill and discipline. The wife and children would share in this agricultural teaching, so that they could carry on when the head of the family was sent to the front or on yearly winter hikes to harden them in the mountains.

At the end of their terms of enlistment, the new army soldiers would be ready to take up other pieces of land on their own account and so find themselves in touch with the wholesome productive life of the country, instead of going out of the army lacking an aim and perhaps with morale undermined by the idle life of the barracks in peace time.

The objection to every scheme of this sort, of course, is that there are better ways for young men to learn trades and for married men to build farm-homes on the land than under the direction of drill sergeants. Mr. Maxwell's scheme suggests a civilizing of army life to be sure, but it also carries the menace of a militarization of civil life.

## More Evidence of Sob Propaganda

**T**HE worthless Emma Goldman and her more, if possible, worthless pal, Berkman, are able to control a power of propaganda in the United States which even a President of the United States sometimes has to buy with humiliating concessions. The papers just now are full of sob-stories about Emma and Berkman, sad, sad tales of the privations they endure in Russia, and all the rest of it. Such propaganda proceeds, of course, on the assumption that the United States is proportionately "red" enough to warrant the sowing of such news. And the assumption indicates from what source the propaganda comes.

Moreover, Emma and her pal are Jews, and it is always possible to stir up more power in behalf of such people than in behalf of any others. The murder of Major Cronkite was a matter that implicated Jews, hence the great hue and cry made for the liberation of the men accused. Many, many Americans have suffered the vilest treatment in Russia—even to imprisonment and starvation, which perils have not yet come to Goldman and her pal—but scarcely anything was done about it. American officers were maltreated until they went mad, but scarcely could the papers find space for a line about it. Certainly no attempt was made to arouse any public feeling on the subject. But now come two Jews whom the United States deported, and they apparently are not receiving their accustomed comforts in Russia (for these itinerant social reformers live high in America) and immediately important newspapers spend tens of thousands of dollars' worth of space endeavoring to arouse sympathy in their behalf.

It becomes more and more evident in the study of world problems that the key to all is racial. A certain strain of blood in the veins determines everything. If you have that strain, a world-wide organization will move every official institution in your behalf. If you don't have it, you can rot in whatever form of injustice is being done to you. Get the racial key, and many matters are at once explained.

There is, however, something above race, and that is spirit. There is in the world an American spirit, and the race that is competent to receive it is saved. Some races are incompetent to receive it. This is where our academic theories of democracy break down—some races are not competent to receive democracy. The higher races must do them full and generous justice, but cannot admit their equality. It is a test of spirit, not of race.

The American spirit should be quickened by the daily, bold and defiant use made of the Press, Finance and Government in behalf of all sorts of worthless individuals and all sorts of subversive and treasonable causes, simply because these causes and individuals are connected with a certain race.

We need in this country a revival of traditional Americanism, an Americanism that is marked by more than a formal reception of citizenship papers. Citizenship papers too often entitle men to vote against America for anti-American racial purposes of their own. Americanism still lives—it will assert itself under provocation—but it is daily smothered under the propaganda use made of Press, School, Church and Government for alien purposes.

## All for Lack of Money

**T**HE papers are full just now of reports of the great things that the Federal Reserve Board is doing to make sure that this season the farmers shall have money to move their crops and manufacturers be permitted to manufacture. Discount and rediscount rates are being reduced. Federal Reserve note issues are increased. Tables are printed showing handsome increases in total and per capita circulation of "money." One experiences a pleasurable thrill to read that the average ready cash available is \$51 a head for each man, woman and child of the one hundred and ten million people in this Great Republic. That means \$255 for an average family of five.

Should any disagreeable joy-killer suggest that you, Mr. Paterfamilias, might have trouble in digging up out of your jeans \$255 that is not pledged to the landlord, or for your house payment, or for taxes and interest and insurance, you would perhaps call him a pessimist. And the man who should suggest that the Treasury figures, if analyzed, would show that about one-half the \$51 per capita is held in the vaults of the Treasury and the banks as "reserve," or has been worn out or gone into private hoards, so that only about \$26 is actually "in circulation," you might exclaim, "Can such things be?"

There is a change of attitude in the Federal Reserve Board toward the producers, but unhappily it comes too late to save thousands of farmers and small manufacturers ruined by the diversion of funds to Wall Street and away from the South and West last spring and summer.